

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-87-WS - ORDER NO. 2007-311
MAY 3, 2007

IN RE: Application of Carolina Water Service, Inc.)
for Approval of a Contract with G & M)
Holding Company, Inc. to Serve Agape)
Village)

ORDER APPROVING
CONTRACT

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Carolina Water Service, Inc. (“CWS” or “Applicant”) for approval of a contract with G & M Holding Company, Inc. (“G & M” or “Developer”) to serve Agape Village. The Applicant and Developer have entered into an agreement for water and wastewater service dated February 6, 2007.

The Applicant proposes to serve the Agape Village development (“Development”) which will consist of approximately nineteen (19) duplex units and three (3) commercial lots when completed. The Agreement provides, *inter alia*, that the Developer will construct all of the necessary water distribution and wastewater collection facilities required to serve the development, interconnect the facilities with the Applicant’s existing water distribution and wastewater systems, acquire all necessary easements and rights-of-way, and convey such facilities and easements to the Applicant.

According to the Application, the proposed development is within the Applicant’s authorized service area in Lexington County, and the area is franchised to CWS. No other public or governmental utility is currently authorized to serve the proposed development.

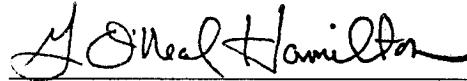
Pursuant to the Agreement, the Applicant has agreed to reserve adequate utility capacity for up to forty-one (41) water and wastewater connections located within the property for a period of three (3) years from the date of the Agreement. After that time, CWS shall not be obligated to reserve capacity for which no capacity fees have been received. CWS submits that this provision is warranted and in the public interest as it ensures that the developer cannot warehouse capacity such that other development may be discouraged by a potential lack of available capacity. Further, the terms of this contract allow the utility to adequately engage in planning for future operations.

The Office of Regulatory Staff ("ORS") does not oppose the Application.

We therefore approve the Application and the contract. The proposed development to be served is in the service territory of CWS, and no other public or governmental utility is currently authorized to serve the proposed development.

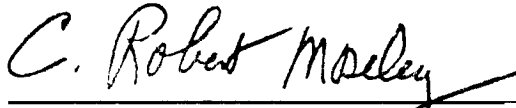
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)